parity; trends in market prices, demand and supply situation, inter-crop price parity, effect on industrial cost structure, effect on general price level, effect on cost of living, international market price situation and parity between prices paid and prices received by the farmers.

(f) To provide price guarantee to the farmers for their produce the mechanism of MSP is implemented for 25 crops. For other perishable commodities, like fruits and vegetables, Market Intervention Scheme (MIS) is also implemented as and when required. There is no proposal to set up a Price Stabilization Fund.

Law for contract farming

†3397. SHRI PYARELAL KHANDELWAL: Will the Minister of AGRICULTURE be pleased to state:

(a) whether it is a fact that contract farming is being carried out on a large scale in some States of the country;

(b) whether it is also a fact that the farmers are suffering huge losses in the absence of a law for contract farming;

(c) if so, the details thereof;

(d) whether Government has asked the States to enact a law for contract farming; and

(e) if so, the details of the steps taken by the States in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTI LAL BHURIA): (a) and (b) No, Sir.

(c) Question does not arise.

(d) and (e) Yes, Sir. In order to make contract farming arrangements beneficial for the farmers and the sponsoring companies, a Model Law on Marketing has been formulated by the Government keeping various requirements in view and circulated to States Governments for considering suitable amendments in their concerned Acts to bring in the required agricultural market reforms. The Model Law provides for registration of contract farming sponsors, recording of agreements with a prescribed authority, dispute settlement mechanism, model format for contract farming agreement and protection to farmers' rights over land as a consequence of such agreements. The State Governments of Andhra Pradesh, Arunachal Pradesh, Assam, Chhattisgarh, Goa, Gujarat, Haryana, Karnataka, Madhya Pradesh, Maharashtra, Nagaland, Orissa, Punjab, Rajasthan, Sikkim, Tripura and UT of Chandigarh have amended their Acts and incorporated provisions for contracts farming.

Decline in the agriculture production

3398. SHRI A. ELAVARASAN: Will the Minister of AGRICULTURE be pleased to state:

(a) whether Government is concerned that there is a great decline in the production of agricultural commodities and the prices of essential food products have increased enormously;

(b) if so, what are the steps taken by Government;

(c) whether Government will plan to establish Special Agricultural Zone to enhance the agricultural production;

(d) if so, the details thereof; and

† Original notice of the question was received in Hindi.